Selected Aspects of Economic Welfare in

Poland, Hungary, and Czechoslovakia

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Introduction

In examining the various contributions to the enclosed project it would be well to keep in mind the inadequate and flexible standards of satellite research and reporting. Furthermore, there is no cost-of-living index, whether devised by communists or capitalists, that cannot be challenged for one valid reason or another. This would be true even if numberless objective analysts had access to all the existing data. Unfortunately our satellite information falls far short of completeness although the more serious gaps are being filled in rapidly in Poland. With the exception of East Germany, this increase in statistical information applies, although to a lesser degree, to the other satellites. Even so there are certain kinds of statistics that continue to evade us. Some of these pertain to free market prices and handicraft production. Such subjects fall outside the channels of normal reporting and are likely to remain outside as they have these many years in the USSR. This is not to say that it is unrewarding to study the economies of Poland, Hungary, and Czechoslovakia. Even though our answers often lack preciseness there is reason to believe they are valid whenever they indicate satellite trends.

Summary

The imitative nature of the satellite economies is well known. As a Soviet publicist has written, "the experience of socialist industrialization of the USSR serves as the classical model for all countries which have intered upon the road to socialism." The Satellites are experiencing most of the difficulties endured by the USSR in the thirties. There is the old disproportion between agricultural output and industrial production. The reservoirs of industrial manpower are being used up even more quickly in the Satellites than they were in the USSR. The proletariat has been producing goods for export to enable the satellite governments to buy the machinery that is essential for the implementation of the Five Year Plans. The inevitable consequence has been a shortage of some important consumer goods and a reluctance on the part of the peasant to produce without greater material incentives. The collectivization of agriculture continues to pose the most serious of problem to the Satellite governments as it has for the USSR.

In addition to having the traditional troubles of the Soviet Union the Satellites have added a few of their own. One of these has been the forced contributions to the military prowess of the Bloc. This has reduced the standard of living considerably as Hilary Minc of Poland freely admitted. The Satellites have not been able to obtain machinery on such favorable terms as did the USSR. Weather conditions and political upheavals have also contributed to satellite woes.

Despite the many satellite reverals some aspects of their economic activity

look impressive. This pertains especially to the production of clothing, shoes and the consumer goods made of metal. Social benefits are greater now than formerly and recreational facilities have been improved. The important tasks, however, of improving the food and housing situations remain and no amount of industrial productivity can take the consumer's attention from crowded housing and the barely adequate food supplies.

Czechoslovakia: Comments on Consumer Goods Production and Consumption, Cost of Living and Real Wages.

Czechoslovakia, as one of Europe's important manufacturing and exporting countries, was able to provide a relatively higher level of living to its population and a more varied pattern of consumption than the USSR and the less-industrialized countries of Eastern Europe. The prewar level and pattern of living was more like that of France and Germany than of the USSR and Eastern Europe. However, the minimal protein content of the food available for domestic consumption was lower than that in France and Germany, and the caloric content was lower than that in the USSR. The level of living in Czechoslovakia is still above that of most of the other satellites, although economic policies since the Communist coup of 1948 was followed by a deterioration in the previously high level of living. As of 1956 the population as a whole enjoys a level of living above that of the USSR and most of the other satellites but below that of most countries of Northern and Western Europe.

Domestic Trade

Total retail trade turnover in 1955 was about 33 percent above that of the year 1953 in comparable prices, or 11 percent above the year 1954. Sales of industrial goods amounted to 40.9 percent of total retail sales in the fourth quarter of 1953, to 41 percent of total sales in 1954 and was to increase to 42 percent in 1955. Trends in retail sales of consumer items reflect the trends in consumer goods production. For example, in the year 1954, retail sales of bread and edible oil were below the previous year and of wheat flour and fresh meat were only 3 percent above the previous year. On the other hand ten percent more

fine pastry goods were sold and retail turnover of luxury goods increased considerably. More than 400 percent more refrigerators, almost 300 percent more washing machines, and 150 percent more sewing machines were sold [redacted] in 1955 than in the previous year.

A similar trend seems apparent in the partial figures thus far available for 1955. This is due in large part to the low level of production of many non-food consumer goods in the early years of the first five year plan and the rapid recent increases. In 1952, for example only 3700 refrigerators were sold, whereas retail sales in 1954 were 13,800 refrigerators and in 1955 over 21,000. Sales of electric washing machines rose from 8000 units in 1952 to 120,000 in 1954. Similar increases took place in other durables. On the other hand retail sales of footwear rose only slightly between 1952 and 1954, sales being in excess of 40 million pairs each year, or about 3.2 to 3.3 pairs of footwear per person each year, a higher average than for other satellites.

Cost of Living and Real Value of Wages

Economic policies since the Communist coup of 1948 slowed down the progress toward the country's prewar level of living. Retail prices tripled during the war and then levelled off, even declining a bit between 1946 and 1948. The cost of living index was lower in 1950 than in 1949 but rose substantially in 1951 and 1952, and for the year 1953 was about 38 percent above the 1949 level. The high point was reached in 1953. The 1955 level was about 8 percent below the level for the year 1953 and the price cut of March 30, 1956 reduced retail prices

further. After that price cut the cost of living was 14 percent below the 1953 level. (see attached table).

This trend is also reflected in the index of real wages of industrial workers. In mid-1953 this index stood at its lowest point since 1949. The real value of wages has risen since then and for the entire year 1953 stood at 84 percent of the 1937 level. For the year 1954 it was 94 percent, for 1955 was 96 percent and as of April 1956 had risen to 105 percent of the 1937 level. (See attached table).

The price reduction of March 30, 1956 is the fifth general price reduction since June 1953. The recent cut covered some 22,000 consumer goods items and is said to represent a savings of 2.1 billion crowns. The price cuts were deeper as well as more comprehensive than last year's reduction. Price cuts in such food staples as flour, rice, fats and dairy products ranged from 3 to 40 percent. Among the industrial goods, textiles, ready-made clothing and footwear reductions ranged from 6 to 25 percent; 5 to 20 percent cuts were made on household appliances, sports goods, wrist watches, cameras and medical goods. For the first time since the mid-1953 monetary reform, fresh meat -- mutton -- was included among the reduced items, although this meat is not popular in the country. Along with the price cuts unspecified wage and salary increases were decreed in the printing industry, research institutes, communications, health services and teaching professions.

Level of Living

The level of living is above that of the USSR and most of the other satellites

at this time. Food availability, as measured by per capita consumption of basic and quality foods, is below that of Poland but above that of East Germany, Hungary and Rumania. Per capita retail sales of footwear seems higher than in other satellites, and sales of cotton textiles are slightly higher than in East Germany. Existing housing facilities are probably superior to those of other bloc countries although the situation had deteriorated since 1950. The overall health and sanitation situation has improved and disease and mortality rates have improved after a very high incidence of disease in the early postwar period.

Czechoslovakia

Trend in Money Wages, Cost of Living and Real Wages a/

(Index: 1937 = 100)

Year	Money Wage b/	Cost of Living b/	Real Wage
1949	464	602	77
1950	551	573	96
1951	594	697	85
1952	632	702	90
1953	696 (139)	830 (166)	84
1954	735 (147)	780 (156)	94
1955	735 (147)	765 (153)	96
April 1956	750 (150)	715 (143)	105

a/ Computations by State Department.

b/ Beginning in 1953 the larger figure represents the index in terms of the currency in use before the revaluation of June 1953 and the figure in parenthesis is in terms of new currency.

The Housing Situation in Czechoslovakia

Construction of dwelling space has failed to keep pace with housing requirements. As of 1950, Czechoslovakia had a larger stock of dwellings per 1000 population than other Soviet Bloc countries, fewer persons per room and more clear living space per person. As of the end of 1954 the number of dwellings in Czechoslovakia per 1000 inhabitants had decreased, the amount of clear living space per person had decreased and the number of persons per room had increased. As of 1954, the amount of clear living space per person in Czechoslovakia appeared to be about the same as in East Germany and urban Hungary, but above that for urban areas of the USSR. 1/ As of 1946, 94.1 percent of urban dwellings in the country had electricity and 29.1 percent of the rural dwellings. 2/ Between 70 and 80 percent of the housing built under the first Five Year Plan was provided with running water, indoor toilet facilities and central heating. 3/

During the Five Year Plan of 1949-1953 public housing construction provided 131,000 housing units, and 46,100 units were built by individual effort. These units were provided to 700,000 persons, or an average of 3.9 persons per new dwelling. About 37,500 dwellings were completed during 1954, of which about 28,000 were built with public funds. The 1954 plan for public construction was not met; 13,000 houses were started but not completed during the year. The 1955 plan called for the construction of some 40,000 dwelling units. The government has been trying to ease the housing situation by providing favorable conditions for workers to build family homes through the self-help method, and by use of prefabricated materials and assembly-line methods of construction where applicable.

Among the factors delaying the fulfillment of plans are an inadequate flow of supplies of material and machinery for use in dwelling construction, manpower problems, poor planning and inefficient organization of the program.*

The United Nations Housing Committee has estimated that the average annual total requirements for housing construction (including replacements) during the next 15 years to be approximately 60,000 dwelling units per year. This would include 40 to 45,000 new units to take care of the increasing population, and 15 to 20,000 units to replace aging structures. 5/

The housing situation appears to be worse in rural than in urban areas. Dwelling construction is for the most part limited to the larger cities and industrial districts. On the other hand, overcrowding in some urban areas is greater than is suggested by the nation-wide statistical estimate of 1.54 persons per room in 1950 and 1.56 at the end of 1954. More than two-thirds of the dwellings in existence in the country in 1946 had only one or two rooms. Statistics for Bohemia and Moravia as of 1946, excluding Prague, showed that almost 30 percent of the dwellings had more than two persons per room and 11 percent had more than three. 5/ The average density of occuaption in Prague was 1.3 in 1955, as compared to 1.39 in the Budapest metropolitan area in mid-1954, and about 2.2 persons per room in Warsaw in 1955.**

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* Sources 3/, 4/, 5/.

** Prague and Warsaw figures from 6/ and Budapest from 5/.

1/ U.N., E/ECE/235, "Economic Survey of Europe in 1955", Geneva, 1956, p. 226, Table 108.

2/ Ibid, E/ECE/208, E/ECE/Steel/94, "The European Steel Pipe and Tube Industry", Geneva, June 1955, pp. 86-87, Table 24.

3/ Prague, Svobodne Slovo, 17 November 1954, "Industry Reviewed" (FDD 367, 31 Jan 1955).

4/ Prague, Rude Pravo, 17 November 1954 and 20 March 1955.

5/ U.N., E/ECE/221, E/ECE/HOU/57, "The European Housing Situation", Geneva, January 1956, pp. 10-13, and 21.

6/ New York Times, 10 October 1955, "Warsaw Housing to Expand". (Information from the chief architect of Warsaw).

Czechoslovakia Foreign Trade

Trade of light industry items in Czechoslovakia is conducted through the following nationalized foreign trade corporations: Centrotex, responsible for the import and export of textile and leather goods; Ligna, responsible for the import and export of timber and products of the woodworking and paper industries; Artia, responsible for the import and export of cultural goods such as books, periodicals, music, etc.

Czechoslovakia is interested primarily in procuring hard currency through its trade in consumer goods. Consistent with this policy is the negligible amount of consumer goods imported by Czechoslovakia.

However, Czechoslovakia does export items of the textile, leather, footwear and paper industries. The share of these items in Czechoslovakia's total export trade is shown in the following tabulation: 1/

	(In percent) 1937	1948
Paper and cardboard	1.2	1.7
Paper products	0.6	0.6
Cotton goods	6.0	7.1
Wool goods	6.2	4.0
Silk goods	3.8	1.7
Linen goods	2.9	1.6
Jute goods	0.9	0.6
Ready-made clothing	4.2	1.9
Hats	1.1	0.5
Leather shoes	4.1	5.7
Rubber shoes	0.6	1.9
Total	33.6	27.3

Although the relative importance of these items decreased, the value of the exports has increased considerably. This trend has continued, and these items at present account for about 10 percent of total exports. 2/

Czechoslovakia's chief consumer goods' exports to the West include: furniture to Great Britain; textiles to Belgium - Luxembourg; motorcycles, glass and paper to Brazil; china and textiles to the Netherlands; textiles to West Germany; glass, ceramics, textiles and rubber footwear to Iceland; consumer durables and rubber footwear to Norway. 3/

The chief obstacles that hinder the expansion of Czechoslovakia's export of light industry items to the West: 1. poor quality goods and 2. late deliveries. 4/ The Czechs, however, will probably continue to export light industry items and be willing to lower their prices in order to obtain hard currency.

Sources:

1. Klosewetter, Bruno. Die Wirtschaftder Tschechoslowakei seit 1945 Berlin, 1958, p. 191. U.

2. Czechoslovak Foreign Trade, Spec no 2, Prague 1958. U.

3. Ibid.

4. [redacted]

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Czechoslovakia

Index Numbers of Total Retail Trade Turnover, 1948-1955
(In Comparable Prices)

Year	Index a/
1948	75
1953	100
1954	120
1955 Plan	126
1955 Actual	132.7 b/

a. U.N. Economic Bulletin for Europe Vol. 7, No. 1, May 1955, Table 15, page 35. (From plan fulfillment reports).

STATSPEC b. [redacted]

Czechoslovakia

Share of Retail Sales of Industrial Goods to Total Retail Trade Turnover Since Abolition of Rationing a/

Year	Percent of Total b/
1953: Third Quarter	39.3
1953: Fourth Quarter	40.9
1954	41.0
1955: Plan	42.0

a. Rationing was abolished in June 1953.

b. Prague, Noviny Vnitrniko Obchodu, 9 July 1955, "Consumer Goods Figures". (FBD 687, 13 Oct 1955).

Czechoslovakia

Per Capita Consumption of Specified Foods a/

Item	Unit of Measure	Prewar 1/ Year	Prewar 1/ Amount	1950 1/	1953	1954 2/ (Slovakia)	1955 3/
Wheat flour	Kg	1937	96.8	137.4	134.2 4/	120.6	131.4
Meat	Kg	1937	30.0	34.9	36.5 4/	26.4	29.5
Lard	Kg	1937	4.4	4.5	3.4 3/	4.9	3.2
Butter	Kg	1937	3.0	4.9	5.3 3/		5.2
Vegetable oil (edible)	Kg	1937	3.3	4.1	4.9 3/	3.7	5.1
Sugar	Kg	1937	20.0	27.0	27.3 4/	22.2	20.1
Eggs	Kg	1936	131.0 4/		161.0 4/	99 eggs	
Milk (whole)	Kg	1933-37	125.8 3/				128.2

a. Czechoslovakia had achieved its prewar level of consumption (caloric intake) as of 1948-49. Consumption was below that level as of the food year 1952-53 (90% of prewar) and 1954-55 (96%). In other years it has been just about one percent above the prewar level. Meat, poultry and fish average per capita in 1954-55 met nutritional standards but the daily intake of milk and milk products was deficient.

1. Prague, Rude Pravo, 29 March 1951.(00-W-10920, 24 July 1951). Data for 1936 is also available for several of these items. 2/

STATSPEC

2. [redacted]

3. CIA/RR PR-136, "The 1954-55 Food Situation in the Sino-Soviet Bloc", 9 March 1956. S. (Table 22, p. 40.) This covers the food year 1952-53 and 1954-55, not the calendar year.

4. [redacted]

STATSPEC

Czechoslovakia

Retail Sales of Specified Consumer Goods 1949-1954, by Total Quantity Sold and by Estimated Sales Per Capita
(Individual Units Unless Specified)

	Total Units Sold Per Year					Units Sold Per Capita a/			
	5 Year Average 1949-1953 1/	1952 1/	1954 1/	1955	Plan: 5 Year Average 1956-60	5 Year Average 1949-1953	1952	1954	1955
Footwear: total pairs	31.2 million	40.2	43.4	44.0 b/		c/	3.2	3.3	3.3
Leather	17.4 million								
Rubber	13.8 million								
Textile Yarns	--	--	--	--		6.07 d/	n.a.	n.a.	over 8.0 d/
Fabrics:									
Silk	n.a.	16.2 million m.	22.6 million m.				1.3	1.8	
						Number per 1000 Inhabitants			
Sewing machines	28,800	27,000	46,100			2.3	2.1	3.6	
Refrigerators	n.a.	3,700	13,800	21,804 2/	82,000 6/	n.a.	0.3	1.1	1.7
Washing machines (electric)	n.a.	8,000	120,000	196,800 2/	250,000 6/	n.a.	0.6	9.0	15.0
Bicycles	149,600	107,900	172,800			11.9	8.5	13.0	
Motorcycles	27,440				70,000 6/	2.2			
Radio receivers	189,400					15.1			

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Footnotes:

a. Population as given in CIA 447469. Conf. For the five year period 1949-1953 the population average 12,510,000 was used.
b. During 1953-1955 inclusive 122 million pairs of "shoes" were sold (or an average of 40,666 pairs per year. 3/
c. Per capita "consumption" for other years is reported as:
   1937 2.2 4/ pairs
   1948 2.58 5/ pairs
   1950 3.47 4/ pairs

d. Per capita average production of textile yarns for civilian and public consumption (excluding military, police and other such uses) shows the trend in "consumption" of such yarns for domestic civilian clothing, as follows:
   1937 5.23 kilograms 4/
   1947 4.4 kilograms 5/
   1948 4.7 kilograms 5/
   1950 6.07 kilograms 4/
   1955 over 8.0 kilograms 3/

Sources:

1. Prague, Zivot Strany, No 9, 1955. "Living Standards Rise". (FDD Summary 640, 6 September 1955, Sociological; and other data from the original article.)
2. Percent increase over previous year. [redacted] STATSPEC
3. [redacted] STATSPEC
4. Prague, Rude Pravo, 29 March 1951. [redacted] 25X1C
5. FDD Summary No 78. "Results of the Czechoslovak Two Year Plan: Investment, Foreign Trade, Finance, National Income and Standard of Living", 5 November 1952. Conf. (For footwear 1948, used total consumption figure on page 26 and population of 12,120,000.)
6. [redacted]

STATSPEC

Standard of Living in Poland

For the past four months Polish officials have been explaining why the 6-Year Plan (1949-1955) failed to raise the standard of living for a majority of the workers. On 31 December 1955 Hilary Minc, First Deputy Premier, delivered a long and rather defensive report on Polish failures in the 6-Year Plan. On 6 April, Edward Ochab, the new Party First Secretary, explained in some detail why the past six years in Poland have been so austere and difficult. He attributed most of the trouble to agriculture and declared that a substantial rise in agricultural production would be necessary before any impressive improvement in the standard of living could be achieved.

Nearly all Polish reports on living standards emphasize the great effort that has gone into increasing military power. The production in Poland of tanks and radar installations is pointed to with pride even though it is admitted that these accomplishments deprived other industrial units of first-class engineers and technicians. M. Ochab on 6 April stated that defense investments can now be reduced and military expenditures will be cut wherever possible. According to Polish officials the money thus saved will be used for wages and pensions.

The 6-Year Plan provided for a 40 percent increase in real wages. The government has claimed an increase of only 26 to 27 percent but several Sejm deputies have challenged these figures as too high. The government defends its figures by pointing out that they represent an average increase. Some industries have had substantial increases in wages. Highest wages - over 20,500 zlotys - were paid last year in the coal industry; workers in the foundry industry received

an average of 18,000 zlotys, and those in the machine building industry 15,500 zlotys. Such wages, however, are paid to only a minority of the workers. In education and the health service a considerable number earn less than 500 zlotys a month. The government defends such low wages by contending that because of its limited resources it has been impossible to improve the living standard of those who are employed in the less critical sectors of the economy. Polish officials admit this means that the standard of living has changed little, if any, for the majority of workers.

The Polish government has promised a 5,000,000,000 zloty increase in total wages to be paid to Polish workers this year but how much this will increase real wages is a question. Effective 1 May the minimum monthly "day wages" are to be raised from 364 zlotys to 500. According to M. Ochab, wages will be raised this year for 3,400,000 of Poland's 6,500,000 workers. Polish officials, however, are already expressing regret that the proposed raise will be so inadequate, but regard it as inevitable considering the limitations of the Polish economy. The Polish leaders are stressing the need for more thorough political training and better understanding of difficult economic problems. In this way it is hoped that the grumbling housewives and low-paid workers will understand why the Five-Year Plan cannot perform miracles for the consumer.

High prices and scarcity of goods have been and are now very much in evidence in Poland. The zloty is nominally worth $.25 but its purchasing power is much less, especially if it is used to obtain consumer goods. For example, a suit of clothes costs 2000 zlotys in Poland. That means that for clothing the zloty-dollar ratio is not 4 to 1 but closer to 40 to 1. On such items as

silk stockings the ratio rises to 200 to 1. However, if the consumer is buying sausage the ratio drops to 16 to 1. In addition to high prices the better quality consumer goods are usually unavailable to the average consumer. Special retail stores cater only to the privileged groups in Poland and this benefits a negligible number.

Poland

Indices of Net Monthly Wages of Socialized Nonagricultural Workers, Retail Prices, and Real Wages

Year	Net wage in Socialized Economy (average zlotys per month	Index (1949 = 100) a/ Net monthly wage	Retail Prices and Services	Real Wages	Index (Previous Year = 100) Net Monthly Wages	Retail Prices and Services g/	Wages g/
1949	447.29	100	100	100			
1950	540.51	120.8	107.6	112.3 b/	120.8	107.6	112.3 b/
1951	591.89	132.3	117.8	112.3	109.5	109.5	100.0
1952	644.01	144.0	134.9	106.7	108.8	114.5	95.0
1953	911.34	203.7 c/	192.4	105.8 d/	141.5 c/	142.6	99.2
1954	967.14	216.2	180.5	119.7	106.1	93.8	113.1 e/
1955 (Prelim)	1009.94	225.7	176.7	127.6 f/	104.4	97.9	106.6 e/

a. Source: Warsaw, Trybuna Ludu, No. 33, 3 February 1956, "How the Increases of the Working Peoples' Real Wages Has Developed in the Last Six Years", (official figures of the Polish regime).

b. A previous official statement reported real wage to be only 6 percent over that of 1949.

c. This appears to be at variance with the decree of January 3, 1953 by which money wages were increased an average of 25 percent.

d. A previous official statement gave this as a 5 percent increase.

e. Official reports had previously announced an 11 percent increase for 1954 (not 13.1) and a 6 percent, not a 6.6 percent increase for 1955.

f. Introducing the corrections indicated by footnotes b/, c/, and e/, the real wage index for 1955 would be 116.7 not 127.6. The 1955 real wage is much lower than 127.6 (113.8) even without such corrections when 1950 is used as a base rather than 1949.

g. Computed from index on 1949 base as given in source a/.

The Housing Situation in Poland*

In assessing the Polish housing situation in the post-war period a number of special factors have to be taken into consideration in addition to the pre-war inheritance of bad housing. One of these is the fact that Poland had particularly-severe war losses. Two-fifths of the urban dwelling rooms were destroyed. In Warsaw about 56% of the total number of dwelling rooms were destroyed. Other cities that suffered severely were Wroclaw, Gdansk, Poznan and Szczecin, with respective losses of 65, 55, 45 and 42 percent of their dwellings.

The pace of post-war industrialization has led to a great increase in urban population. Despite urgent housing requirements, however, residential construction in the towns in 1954 was not quite double the average level of 1932 to 1937. A 1955 housing study trip to Poland by the E.C.E. made possible an assessment of the urban housing situation in Warsaw, Cracow-Nowa Huta, Stalinograd and Danzig-Gdynia. It was found that: (a) the quality is low, especially in Warsaw; (b) overcrowding is still intense (usual density at least 2 people per room, counting medium-sized kitchens); and (c) apartments usually had very poor plumbing and kitchen facilities.**

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* These comments are summarised from United Nations bulletin E/ECE/221 E/ECE/HOU/57, Geneva, January 1956, "The European Housing Situation", pp 29-31.

** State, Geneva, unnumbered cable, 16 June 1955. OUO; State, Geneva, USPRESREL, dee 25, 30 August 1955. OUO.

For the years 1950 to 1954 the average net increase of population in Poland was almost 500,000. The amount of house-building necessary to accommodate an annual population increase of 400,000 to 500,000 at an average density of 1.83 persons per room (shown in the 1950 census) would be about 250,000 dwelling rooms per year. In addition, current annual replacement needs are at least 50,000 rooms. This would make a total annual increase of about 300,000 dwelling rooms per year, if housing construction were to grow with the population increase. However, the average annual construction of dwelling rooms for Poland during the six years of 1949 through 1954 was 125,000 per year. Urban house-building in 1953 and 1954 was between 140,000 and 150,000 rooms per year. In addition, an unknown but probably considerable number of hostels have been built for young people moving to town as students or workers.

Data are not available on rural house-building or other variations of housing stock, such as alterations or changes in use. During the war 466,900 farms on present Polish territory were destroyed or severely damaged. This appears to be more than 1/6 of the total number of farms. During the reconstruction period from 1945 to 1949, 228,000 farms were reconstructed with State aid. In addition an unknown but considerable number were reconstructed or built without any state aid.

For the five-year plan, 1956 to 1960, urban house-building of an average of 240,000 to 300,000 rooms per year is foreshadowed. If implemented, this together with rural house construction should be sufficient for an appreciable improvement in the housing situation.

SECRET

Poland

Estimated Total Polish Retail Trade Turnover,
1948-1955

Year	Volume of Retail Sales (In billions of 1953 zlotys) b/			Index of Total Retail Trade	
	Private Sector	Socialist Sector a/	Total Trade	1949 = 100	Previous Year Equals 100
1949	36.5	46.5	83.0 c/	100	
1950 d/	16.0	79.0	95.0	114.4	
1951 d/	7.0	93.0	100.0	120.5	105.3
1952 d/	5.0	96.0	101.0	121.7	101.0
1953 e/	4.2	102.3	106.5	128.3	105.4
1954	5.0	120.7 f/	125.7 g/	151.4	118.0
1955	5.6	134.0 h/	139.6 g/	168.2	101.2

a. Retail trade includes sales in public catering establishments (restaurants and so forth).
b. Value in billion of zlotys at November 1953, in pre-price reduction prices.
c. Source: speech by Prime Minister Bierut of March 10, 1954.
d. Source: U.N., "Economic Survey of Europe in 1954", Geneva 1955, p. 50. Figures are verified in general by data in CIA files.
e. Sources for total trade are source d/ and News from Behind the Iron Curtain for June 1954. Percents of socialized and private trade given in Warsaw despatch 324, 16 March 1954.
f. Increase of 18 percent over 1953 in comparative prices. (several sources).
g. Preliminary estimate based on socialized trade as being 96 percent of total. (This percent verified for 1955 by Warsaw periodical Finance, No. 5, 1955.)
h. Increase of 11 percent over 1954. (FBIS, 2 February 1956. Does not specify whether it is total retail trade or socialized, and whether current or constant prices. The increase in socialized trade turnover in comparative prices was 12 percent for the first half of 1955.

SECRET

Polish Foreign Trade in Light Industrial Goods

The following percentages represent the share of consumer goods in total exports (including foodstuffs): 29.6 in 1953, 27.5 in 1954 and a planned 26.6 in 1955. 1/

The Polish foreign trade magazine explains the paradox of Polish exports of textile fabrics and other consumer commodities needed domestically as a necessity in establishing markets for future surpluses and as a means of providing Polish industry with necessary equipment and raw material. 2/ In the same light, Poland accepts additional imports of consumer commodities for re-export if the arrangement is advantageous in establishing markets for industrial exports. An example of this type of trading arrangement is evidenced for cotton and wool textiles in the years 1950 and 1951, the last years for which aggregate trade figures are available. In 1950, 74,210,000 meters of cotton fabric were exported and 361,600,000 meters were consumed domestically. Production was 432,000,000 meters, necessitating importing an additional 2,800,000 meters. According to the same principal, in 1951 when exports had decreased by 11.6 percent, it was still necessary to import 12,555,000 meters to meet both trade and domestic requirements. 3/

As exports of these and other consumer goods increase, it is necessary to increase not only the imports of the raw materials for these goods but the finished goods as well in order to maintain the domestic level of consumption. The exports of leather haberdashery, shoes and rubber articles increased more than five times in the first five years of the Six Year Plan. Imports of these

items, particularly furs and shoes, principally from Belgium, Holland, Czechoslovakia and Hungary, have also substantially increased. 4/ In 1955, the planned increase in the export of consumer goods is to amount to 19 percent (compared to 1954), while the import of consumer goods (watches, radios, sports equipment, musical instruments, etc.) and foodstuffs will amount to 18.7 percent. 5/

Sources:

1. FDD Sum, Selected Briefs from the International Press (31), 24 Mar 1955. C.

2. Polish Foreign Trade #10 (Warsaw), Mar-Apr 52, U.

3. [redacted] 25X1A

4. Polish Press Sum. 18 Feb 55, pp 7-8. U.

5. Information Bulletin of the Polish Press Agency (PAP), Warsaw, 25 Mar 55, p. VII. U.

Poland

Per Capita Consumption of Certain Consumer Goods *

Item	Unit of Measure	1949	1950 a/	1954	1955
Food					
Basic grains b/	Kg c/	163.3	165.8	166.0	
Meat and animal fats	Kg	30.9	36.4	37.7	
Milk and milk products	Liter	276.7	292.5	322.6	331 d/
Eggs	Each	116	116	135	
Vegetable fats	Kg	1.3	1.7	1.8	
Sugar	Kg	19.3	21.0	22.4	23.8 e/
Nonfood					
Textiles:					
Wool	Meter	1.8	2.1	2.2	
Cotton	Meter	13.4	14.6	16.1	
Silk	Meter	1.8	1.9	2.5	
Leather footwear	Pair	0.5	—	0.9	
Soap	Kg	1.7	1.9	1.9	
Soap powders	Kg	1.3	2.0	2.5	
Cigarettes	Each	893	1,063	1,278	

*Per capita food consumption in Poland was 98 percent of the pre-war (1935-39) level in 1948-49 and reached 100 percent in 1953-54. (In terms of calorie intake the pre-war average consumption level was about 2784 calories per capita per day.) Prewar per capita production of most other consumer goods was reached or surpassed by the end of 1948. These facts constitute one type of verification of these figures. In addition the reliability of the data has been tested by checking the figures against estimates of the amount of goods "supplied to the retail trade network" the per capita consumption estimates follow known trends in retail trade developments.

a/ Data are also available for 1951-1953. Source except as indicated was Warsaw newspaper Trybuna Ludu, 3 February 1956.

b/ Calculated on basis of cereal products.

c/ Kilogram.

d/ FBIS, 13 February 1956. 00-9. 000.

e/ FBIS, 9 April 1956. 00-6. 000.

SECRET

Level of Living in Hungary

The most conspicuous failure in Hungary since the inauguration of the "new course" has been in agriculture. This part of the economy has been beset by three main difficulties, namely, inadequate investment, droughts, and lack of cooperation on the part of the peasants. Recent plans for agricultural improvements have been delayed not only by weather conditions, but also by lack of investment and mechanization and the failure of authorities to win the peasants' confidence.

Economic planning for the postwar period in Hungary has emphasized heavy industry although plans were made for sizable increases in production of all light industry. The results of the first year of the Five-Year plan (1950-54) indicated that the plans for light industry were realistic and could be accomplished. Compared with 1949, production of textiles increased 22%, and clothing production doubled. The plan revised upward in 1951, and the year-end plan report announced a 102.4% fulfillment, or a 27% increase over the previous year. Production of consumer goods during 1952 and the first half of 1953, however, was considerably below plan. When the "new course" was announced in July, 1953, the planners admitted that the 1951 revisions had been overly ambitious. Although new goals were not announced, the plan fulfillment reports for 1953 indicate that reductions had been made.

The new policy emphasized appreciable increases in agricultural and consumer goods production. Development of the engineering and basic industries was to progress at a reduced rate until the economic balance had been restored. Whereas in 1953, 58 percent of the national income was consumed directly by the population, the plan for 1954 called for 70 percent.

The "new course" was not a success. By the end of 1954 it was apparent that the new program was seriously lagging in the production of consumer durables and the planned rate of increase in light industry. In September 1954, a directive stated that the only priority for light industries would be for articles produced for export and articles that otherwise would have to be imported. In order to carry out such a directive the 1955 plan called for a 7.1 percent increase in light industry as compared with a 5.7 percent increase in industry as a whole.

Under the Second Five-Year Plan light industry will attempt to reduce raw material imports by developing the synthetic fiber industry and increasing domestic raw material sources. Present plans provide for the extensive use of modern production techniques that would increase both the production and quality of consumer goods. The plan for 1956, however, calls for a decrease of 3.8 percent in light industrial production to compensate for a reduction in raw material imports. In accordance with the agreements among Satellites under CEMA the production of Hungarian light industry should increase substantially in 1957-60. This does not mean, however, any appreciable increase in per capita consumption. The recent emphasis on industrialization has added to the urban population and many consumer goods formerly obtained from the West are no longer imported, and must be produced internally.

The sensational increases in Hungarian light industry from 1949 through 1951 can be attributed to several causes. The former output of small, private production was inadequately measured. The increase in light industrial production recorded in postwar statistics reflected among other things, the growth of output

in large government factories and state-sponsored cooperatives.

Hungarian planners in 1949 were misled by the rapid rates of growth achieved in industry. They underestimated the extent to which these had been made possible by the existence of surplus raw material, under-employed labor and under-utilized capacity. When such reserves were used up in late 1952 through 1954 industrial rates of increase declined substantially.

Many things are not available to present-day Hungarians at all - not only exotic products like bananas but even ordinary household necessities like thread. The only things which are fairly cheap are streetcar and bus fares, books, movies and theaters, and rents. The average worker, such as a bus driver, earns about 1000 forints a month. A pair of shoes that would cost $10 or $12 in US costs the Hungarian 500 to 600 forints; a $3 or $4 shirt, 200 to 220 forints; a $10 to $12 wrist watch, 1200 forints; a $40 man's suit, 2000 to 2200 forints.

Hungary

Estimated Retail Trade Turnover by Channel, 1949-1955 a/
(Billions of Forints) b/

Year	State Stores	Cooperative Stores	Total Socialised Trade	Private Trade	Total Retail Trade
1949	n.a.	n.a.	3.8	9.1	13.0
1950	8.6	1.7	10.0	5.1	15.0
1951	13.0	2.9	16.0	3.5	19.0 c/
1952	14.0	3.3	17.0	n.a.	n.a.
1953	15.0	4.2	19.0	0.6	23.0
1954	17.0	6.2	23.0	1.2	24.0
1955			25.0		25.5
1956 (Plan)			26.0		

a. Estimated from percent increases officially announced for various sectors of the trade network year by year from a meager base of value data. All data have been rounded to two significant digits.

b. System of relative prices in effect as of 1 July 1949.

c. In terms of current (1951) prices this would be 17.2 billions.

The Housing Situation in Hungary*

The housing problem can be brought into proper focus by stating that, as of July 1, 1954, 61.5 percent of the national population lived in rural areas and 38.5 percent lived in the cities. Including persons who regularly worked in the cities, the urban population was 40 percent of the total, with 19 percent in Budapest and 21 percent in the other cities. 2/ The lack of data prevents an adequate discussion of the housing situation and of construction trends in rural districts.

The housing situation in Hungary has several aspects including the problem of the great age of some of the housing stock, the extensive war damage, the natural population growth and the growth of urban areas. Of the buildings in existence in Budapest in 1940,** 15 percent had been built before 1870. About half of the housing stock still dates from before the first world war. War damage in World War II was severe. Out of the pre-liberation total of some 300,000 apartments in Budapest, 89,700 were damaged during the war. Of these 13,600 were completely destroyed, 18,800 were rendered uninhabitable, 47,300 became partially useless, and 10,000 suffered minor damage. In provincial towns and villages conditions were not much better. Information about rural areas is not available. 3/

According to the Hungarian authorities, about 94 percent of the dwellings damaged or destroyed during the war had been reconstructed by 1949. 4/ In fact, by the end of 1947, new building and reconstruction had almost balanced war losses. 1/ During the period 1949 through 1953, about 108,000 urban dwelling units were built

* The discussion is based on information from the E.C.E. Housing Committee, supplemented by other materials. Unless specified otherwise in the text, the source will be source 1/.

** Excluding the suburbs.

in Hungary, or an average of 21,600 per year for those years, and about 30,000 were built during the year 1954. 5/ For rural districts as a whole it has been estimated that rather more than 100,000 "dwellings" were built between January 1, 1949 and July 1, 1954. 3/ In addition, attempts were made to alleviate the housing situation by releasing office premises for use as dwellings. Since the year 1952, the absolute totals of State funds spent on dwelling construction has considerably increased. 3/ Nevertheless, the relatively low housing construction quotas have not been fulfilled, and housing funds have been diverted for the building of offices, factories and warehouses. 4/

The failure of housing construction to meet the needs can be illustrated from available statistics. The construction of 22,500 new dwelling units yearly would have been required in order to house the average annual natural increase in population during the period of 1949 through 1953. The actual rate of house-building was a little below this rate before 1954. In other words, the rate of building has barely met the needs of the growing population, and has not been at all sufficient to take care of repair and replacement needs in the existing stock of houses. In Budapest the number of dwellings per 1000 inhabitants decreased by about 4 percent (290 to 278) and for other towns by about 7 percent (287 to 267). Judged in terms of known population increases, the number of dwellings per 1000 inhabitants must also have decreased in rural districts. Since the extent of demolition, alterations of buildings and changes in use are not known, it is not possible to assess the trend in number of dwellings per 1000 population in rural areas.

Housing facilities such as electricity, gas and running water have improved in recent years, but

1954, 96.5 percent of the total dwellings in Budapest had electricity, 67.2 percent had running water, and 36.9 percent gas. In other urban districts, 76.2 percent of the total dwellings had electricity, 21.5 percent running water, and 5.6 percent gas. The average is improving. Among the new dwelling units built on the state account, almost all units have electricity, 85 percent have running water and sewerage, and 81 percent have a bathroom.

A change is taking place in the size of dwelling units, the trend being towards one- and two-room dwellings (kitchens and bathrooms not counted as rooms). For example, in Budapest 10.6 percent of the housing units in existence in 1949 had three or more rooms, whereas in 1954 such units comprised only 9.8 percent. 4/ The sum allocated to the building of new flats during 1956 amounts to nearly 2 billion forints. The new type of one room and kitchen will comprise 70 percent of the total number constructed. In this way 170 flats can be built at the same expense as 100 flats in the past. 6/ The new one-room flat consists of a living room, hall, pantry, lavatory, kitchen and wash cabinet, and the floor space will be 18-22 square meters. 6/ The 1954 housing census revealed the average floor space in the existing housing stock in Budapest to be 30 square meters, so that a considerable cut in floor space is apparently planned. *

The Housing Committee of the United Nations (Economic Commission for Europe) has estimated that it would be reasonable to assess current needs for

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* There are considerable differences in the amount of floor space per occupant in the existing housing stock. In Greater Budapest as of July 1954 the average net floor space was about 30 square meters per dwelling unit or 8.6 per occupant, but the floor space varied considerably among the 22 zones of the city. Similarly in other urban areas. While the average floor space per dwelling there was about 26 square meters in 1954, in some of the newer towns such as Sztalinvaros and Varpalota, the average floor space was about 40 square meters at the time of the 1954 housing census.

dwelling unit construction at between 40,000 and 50,000 dwellings per year. This would be the construction of about 30,000 new dwelling units per year which are needed in order to meet the average annual net increase of about 30,000 married couples, and in addition would make possible current replacements of about 10,000 dwellings per year.

1/ U.N., E/ECE/221; E/ECE/HOU/57, "The European Housing Situation", Geneva, January 1956, pp. 21-23; ECE, HOU/WP.1/23, "The Housing Situation in Hungary", pp. 35-40, 6 September 1955.

2/ Budapest, Statisztikai Szemle, February 1955, "Preliminary Results of the 1954 Census", part 1.

STATSPEC

3/ [redacted]

4/ Budapest, Statisztikai Szemle, February 1955, "Preliminary Results of the 1954 Census", part 2.

5/ CIA estimate, which agrees with data from Hungarian authorities.

6/ Budapest, Magyar Nemzet, No. 301, 23 December 1955, "Current Problems in Housing"; Szabad Nep, No. 326, 25 November 1955, "What will the new one-room flats be like?".

Hungarian Foreign Trade in Light Industrial Goods

Until 1945, about 70 percent of total exports were agricultural goods. Current Hungarian exports include sewing machines, bicycles, radios, footgear and ready made clothing. 1/ The position of Hungary in world textile and fiber trade has shifted from net importer prior to World War II to net exporter. 2/ In 1938, imports of textiles and yarns amounted to $4.5 million (US) compared to $5.2 million (US) in 1952. In 1938, exports amounted to $2.9 million (US) compared to $10 million (US) in 1952. 3/ Trade in cotton goods exemplifies the interest in increasing exports of textiles. Based on available production and consumption data, the export of cotton fabrics in 1938 was equivalent to 10 percent of total production. This compared to approximately 36 percent of production being exported in 1955. Including finished articles, the export of cotton goods represents approximately 50 percent of total cotton goods production. 4/

The foreign trade conference held in July 1954 emphasized that the export of consumer goods, particularly to non-Bloc countries, must continue even at the expense of the domestic market so as to retain those markets thus far secured. Domestic shortages will be met in part by imports from Bloc countries. 5/ This type of policy is expected to continue until heavy industrial items can compete in the world market.

Bloc cooperation which is being emphasized under the coordinated Five Year Plans is to be the basis for widening exports to capitalist countries. A recent Hungarian radio broadcast stated that this will be possible by working for each other. 6/

Sources:

1. Air. IR-267-55, 3 Jun 55. C.

2. State, Budapest dsp no. 33, 16 Jul 53, p. 1. S.

3. Trade with non Sino-Soviet Bloc alone. News from Behind the Iron Curtain, Vol. 3, No. 12 (N.Y.), Dec 54, p. 20. U.

4. [redacted] 25X1A

5. Ibid.

6. FBIS. USSR and Eastern Europe, 2 Dec 1955, p. II-4-5. C/O.

Approved For Release 2000/05/15 : CIA-RDP79T01049A001500060004-5

Consumption of Basic and Quality Foods in European Satellites in Food Year 1954-55, and Comments on Adequacy of Per Capita Food Availability a/

Food Item	Bulgaria	Czechoslovakia	East Germany	Hungary	Poland	Rumania
Average daily calorie intake: b/						
Food Year 1954-55	2507	2471	2308	2362	2963	2329
Percent of prewar	102	96	82	90	107	89
Per capita annual consumption (kilograms) b/						
Grains	227.7	136.7	116.7	156.5	162.4	196.8
Sugar (refined)	6.6	20.1	17.7	21.2	20.0	6.0
Potatoes	6.2	120.0	126.0	75.6	257.0	25.5
Meat	13.1	29.5	31.6	20.1	24.0	12.0
Fats and oils	5.8	13.9	17.6	10.9	11.7	5.0
Fish (landed weight)	0.7	4.2	8.5	0.4	2.4	1.2
Milk (whole)	19.1	128.2	96.6	67.9	181.0	66.0
Nutritional Adequacy c/						
Cereals	Adequate	Adequate	Borderline d/	Adequate	Adequate	Adequate
Starchy vegetables and fruits (i.e. potatoes)	n.a.	Adequate	Adequate	Adequate	Adequate	n.a.
Meat and fish	Inadequate e/	Adequate	Adequate	Borderline f/	Adequate	Inadequate e/
Fats and oils	Adequate but low g/	Adequate	Adequate	Adequate	Adequate	Adequate but low g/
Milk and milk products h/	Inadequate	Inadequate	Inadequate	Inadequate	Adequate	Inadequate
Sugar	n.a.	Adequate	Adequate	Adequate	Adequate	n.a.

Footnotes:

a. Food Year 1 July to 30 June.
b. Source: CIA/RR PR-136, 9 March 1956, "The 1954-55 Food Situation in the Sino-Soviet Bloc". S.
c. Nutritional targets, as measured in terms of the calorie intake of each category of food per capita per day which would provide the minimum requirements of calories, proteins and vitamins. (U.N., F.A.O., "World Food Survey", 5 July 1946, pp 11-12.)
d. The per capita for cereals alone is below the minimum desirable intake. Consumption of starchy vegetables and fruits, pulses, sugar and fats may be high enough to offset the low cereal intake. This seems unlikely since total calorie intake is less than 2600 calories.
e. Meat and fish consumption is below the desirable minimum of 100 calories per day, and far below the preferable range of 150-200 calories.
f. Consumption is probably adequate including poultry and egg consumption which are not estimated here.
g. The preferable consumption range is 150-200 calories of fats and oils per day. These two countries consume on an average less than 150 per capita.
h. The desirable daily minimum is 300-400 calories of milk and milk products. Most of the satellites are far below that level.

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Per Capita Consumption of Non-food Consumer Goods in Four European Satellites in 1954-55

Article	Unit	Czechoslovakia a/ (1955)	East Germany b/ (1954)	Hungary c/ (1955)	Poland d/ (1954)
Per Capita					
Footwear: total	pairs	3.3	1.8	1.5 b/	n.a.
Leather		n.a.	0.5	1.0	0.9
Fabrics:	meters				
Cotton e/		12.0 b/	10.0	22.0 b/	16.1
Wool		n.a.	n.a.	2.0 b/	2.2
Silk		1.8 g/	n.a.	n.a.	2.5
Per 1000 Population					
Washing machines	each	15.1	n.a.	1.1	n.a.
Refrigerators	each	1.7	n.a.	n.a.	n.a.
Sewing machines	each	3.6 g/	n.a.	n.a.	n.a.
Vacuum cleaners	each	n.a.	n.a.	0.35	n.a.
Bicycles	each	13.0 g/	n.a.	15.1	n.a.
Radio receivers	each	f/	n.a.	20.0	33.0 f/

a. Reported retail sales except as specified.
b. Estimated consumption.
c. Reported consumption except as specified.
d. Czechoslovakia and East Germany are comparable with one another, and Hungary and Poland. Figures for the two latter include all fabric consumption, including ready-made clothes, whereas the two former exclude fabrics used in ready-made clothes. Poland and Hungary are not exporters of textile fabrics.
e. 1954.
f. 1955.
g. Average sales per capita per year during 1949-1953 (5 year plan was 15.1 sets.)

Sources

1. [redacted] STATSPEC

1a. CIA. FBD Translation, Spec No 9, 12 Jan 51, p. 26. S/US ONLY.

2. Prague, Zivot Strany, No 9. 1955. "Living Standards Rise". (FBD Summary 610, 6 September 1955.)

3. [redacted] STATSPEC

4. IR #503.3007, 5 October 1954. Overt refugee interrogation report indicated that 42 percent of gross production of leather footwear was intended for civilian use.

5. Budapest, Szabad Nep, No 1, 1 January 1956, "A Few Statistical Figures".

6. Trybuna Ludu, No 33, 3 February 1956, "How the Increase of the Working People's Average Real Wages Has Developed in the Last Six Years". (Polish Press Summary II, 8-9 February 1956. Page IX.)

7. Vienna, Interreport-Ost, 5 February 1956. (radio sales).

Index Numbers of Retail Trade Turnover in Six European Satellites 1950-1955

(In constant prices)

Country	Total volume of retail sales [a]			
	1950 = 100	1953 = 100		
	1953	1953	1954	1955
Bulgaria	118.3	100.0	106.0	
Czechoslovakia	133.0 [b]	100.0	120.0	132.7
East Germany	170.0	100.0	113.9	120.3 [c]
Hungary	n.a.	100.0	119.6	128.0 [c]
Poland	112.1	100.0	118.0	131.1
Rumania	120.0	100.0	114.6 [d]	[d]

[a] Includes estimates of private trade.

[b] 1948 = 100

[c] Original plan for 1955.

[d] Socialised trade was 115.3 for 1954 and 145.5 for 1955.

Share of Non-food Items in Total Retail Trade Turnover

Country	Industrial goods as percent of total retail trade turnover			
	1953		1954 or 1955	
	Period	Percent of Total	Period	Percent of Total
Czechoslovakia a/	4th qtr of 1953	40.9	1954	41.0 a/
East Germany	1953 b/	38.7	3rd qtr of 1955 c/	40.0
Hungary d/	1953	39.7	1954	42.6

a/ Prague, Noviny Vnitrniko Obchodu, 9 July 1955, "Consumer Goods Figures", (FBIS 687, 13 October 1955). Plan for 1955 was 42 percent.

b/ [redacted] 25X1A

c/ Berlin, Statistische Praxis, February 1956.

d/ Computed from figures in table 6 (page 89), United Nations, "Economic Bulletin for Europe", Vol 7, no 2, Geneva, August 1955.

Index Numbers of Volume of Retail Sales in Food and Non-food Goods in Three Satellites in 1954 a/

	Volume of Retail Sales 1953 = 100
Food and stimulants	
Czechoslovakia b/	109.5
East Germany c/	106.2
Hungary d/	116.0
Rumania e/	117.7
Other consumer goods	
Czechoslovakia b/	121.8
East Germany c/	122.5
Hungary d/	131.0
Rumania e/	112.3

a. In constant prices, except possibly Czechoslovakia.
b. Plan for year 1955 for deliveries to the home market. (Source: Prague, Zivot Strany #1, 23 December 1954.)
c. Computed from index numbers of retail trade in constant prices on 1950 base, as shown in Statistische Praxis for January 1956.
d. Computed from percentage figures in table 6, (page 89) of U.N. Economic Bulletin for Europe, August 1955.
e. U.N. Economic Bulletin for Europe, May 1955, Table 19, page 35. Food excludes data on catering trade.

Table

Estimates of Housing Stock in Eastern Europe 1/

	Czechoslovakia		East Germany		Hungary		Poland (towns only)	
	Mar 1950	End 1954	Feb 1950	End 1955	Jan 1941	Jul 1954	Dec 1950	Dec 1955
Dwellings per 1000 inhabitants	293	289	n.a.	n.a.	253	262 2/	235 a/	237
Rooms per dwelling	2.2	2.2	n.a.	n.a.	2.3	2.3	(2.44 b/ (2.32	2.44
Persons per room	1.54	1.56	n.a.	n.a.	1.7	c/	1.8 d/	2.2 e/
Clear living space per inhabitant (sq. meters)	7.9m^2	7.8	7.3	8.0	n.a.	(8.6 f/ (7.2 (7.0	n.a.	n.a.
Percent of new dwelling units with:								
Electricity	—	n.a.	—	n.a.	—	almost all 2/	—	n.a.
Running water	—— }	70 to 80% 2/	—	n.a.	—	85 2/	—	n.a.
Indoor toilets	—— }		—	n.a.	—	81 2/	—	n.a.
Central heating	—— }		—	n.a.	—	n.a.	—	n.a.

a/ Source 2/ gives 235 and source 1/ gives 265 for December 1950 for urban districts.

b/ Towns only 2.44, 1/ total country 2.32. 2/

c/ Source 1/ gives the figure as 1.74 and source 2/ as "about 2 persons per room, probably slightly below"

d/ Total country. For "towns only" the figure is 1.54.

e/ Total country. For "towns only" the figure is 1.72.

f/ 8.6m^2 for greater Budapest, 7.2 for other cities, 7.0 for towns. 2/ 3/

Estimates of Housing Stock in Eastern Europe

Sources:

1/ Unless otherwise specified, U.N., E/ECE/235, "Economic Survey of Europe in 1955", Geneva, 1956, Table 108, p. 226.

2/ U.N., E/ECE/221, E/ECE/HOU/57, "The European Housing Situation", Geneva, 1956, p. 21.

3/ Budapest, Statisztikai Szemle, February 1955, "Review of Preliminary Results of the Housing Census of July 1, 1954". (Section 2)

4/ Prague, Svobodne Slovo, 17 November 1954.

YUGOSLAVIA Unclassified

The Balkans in Our Time
Robert Lee Wolff
Harvard University Press 1956

Workers' Councils Law 1950 July

It prescribed that in each factory all the workers would elect by universal suffrage and secret ballot a workers' council, ranging in size from 15 to 120 members, and, in plants employing fewer than 30 consisting of the entire labor force. The Council would then choose a management board made up of workers, in number from 3 to 17, including the manager of the factory. This board would be the executive committee of the council, which would ratify its decisions. The workers' council however could dismiss the board or any of its members, and must ratify all major decisions. The council through the board, would also plan the production for the plant and supervise its books. In he same way it would have control of the funds left the factory from its profits after taxes, the setting aside of sums for investment and all other expenses. Thus the council, through its board, would fix wages and the amounts to be paid into the fund for workers' benefits. It would issue monthly plans, fix hours and conditions of work, and labor discipline. In short, the council through the board, would run the factory. The law provided that at least 75% of the membership of all boards of management must be workers actively engaged in the production process.

The state fixed minimum wages and the prices of raw materials, but the industry and factory councils fixed the prices of finished goods, and thus, by making a profit, earned the position of the workers' wages above the minimum wage-scale. The councils also fixed the amount to be invested in each industry and each plant, within the overall framework supplied by the state. There were problems for example, workers' councils, when given discretion in a county where raw materials and consumers' goods were always short, tended to cut the labor force in an effort to keep profits up.

The state finally provided for inspection committees to oversee the financial activities of individual enterprises, and to recommend sanctions to the local people's councils in cases of bad management.

[redacted]

Wages were in theory (1953) fixed by the workers' councils in each enterprise, but in fact its schedule of rates had to be approved by the union. The State Federation of Labor Unions had established a scale for most sorts of work and would not allow substantial deviations from it. It would be rare that the local workers' council would find a job for which a wage scale had not already been fixed.

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Yugoslavia

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Workers' Councils Law 1950 July

It prescribed that in each factory all the workers would elect by universal suffrage and secret ballot a workers' council, ranging in size from 15 to 120 members, and, in plants employing fewer than 30 consisting of the entire labor force. The Council would then choose a management board made up of workers, in number from 3 to 11, including the manager of the factory. This board would be the executive committee of the council, which would ratify its decisions. The workers' council however could dismiss the board or any of its members, and must ratify all major decisions. The council through the board, would also plan the production for the plant and supervise its books. In the same way it would have control of the funds left the factory from its profits after taxes, the setting aside of sums for investment and all other expenses. From the council, through its board, would fix wages and the amounts to be paid into the fund for workers' benefits. It would issue monthly plans, fix hours and conditions of work, and labor discipline. In short, the council through the board, would run the factory. The law provided that at least 75% of the membership of all boards of management must be workers actively engaged in the production process.

The state fixed minimum wages and the prices of raw materials, but the industry and factory councils fixed the prices of finished goods, and thus, by making a profit, earned the position of the workers' wages above the minimum wage-scale. The councils also fixed the amount to be invested in each industry and each plant, within the overall framework supplied by the state. There were problems for example, workers' councils, when given discretion in a county where raw materials and consumers' goods were always short, tended to cut the labor force in an effort to keep profits up.

The state finally provided for inspection committees to oversee the financial activities of individual enterprises, and to recommend sanctions to the local people's councils in cases of bad management.

Yugoslavia

Wages were in theory (1953) fixed by the workers' councils in each enterprise, but in fact its schedule of rates had to be approved by the union. The State Federation of Labor Unions had established a scale for most sorts of work and would not allow substantial deviations from it. It would be rare that the local workers' council would find a job for which a wage scale had not already been fixed.